



# Community Development Financial Institutions (CDFI) Fund

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## Show Me the Money!

**Interagency Minority Depository Institutions National  
Conference  
Chicago, Illinois  
July 18, 2008**

# Agenda



- **Director's Welcome**
- **CDFI Fund Overview**
- **Benefits of CDFI Fund Certification**
- **Benefits of CDFI Fund Programs**
- **Resources and Contact Information**
- **Q&A / Discussion**

# Director's Welcome



**Donna J. Gambrell**

**Director  
CDFI Fund**

# CDFI Fund Overview



**The mission of the CDFI Fund (the Fund) is to expand the capacity of financial institutions to provide credit, capital, and financial services to underserved populations and communities in the United States.**

# CDFI Fund Overview



The Fund achieves its mission by directly investing in and supporting **Community Development Financial Institutions (CDFIs)**, **Community Development Entities (CDEs)**, and **other financial institutions** through the following programs and initiatives:

- **Certifications (CDFI and CDE)**
- **CDFI Programs (Financial Assistance (FA) and Technical Assistance (TA)).**
- **Bank Enterprise Award (BEA) Program.**
- **New Markets Tax Credit (NMTC) Program.**
- **Native Initiatives.**

## What is a certified CDFI?

- Types of Certified CDFIs:
  - Insured Depository Institutions (banks and thrifts)
  - Depository Institution Holding Companies
  - Insured or State-Insured Credit Unions
  - Loan Funds (non-profit and for-profit)
  - Venture Capital Funds.
- Average asset size of depository institution CDFIs is \$32 million.
- Average asset size of non-depository institution CDFIs is \$21 million.

## How is an organization certified as a CDFI?

A certified CDFI is a for-profit or not-for-profit entity that meets the following requirements:

- Is a **Legally-existing** entity;
- Has a **Primary Mission** of Community Development;
- Is predominantly a **Financing Entity**;
- Provides **Development Services** in conjunction with financing;
- Principally serves a **Target Market**;
- Is **Accountable** to the Target Market;
- Is a **Non-governmental Entity**.

## What is a certified CDE?

A certified CDE is a domestic corporation or partnership that is an intermediary vehicle for the provision of loans, investments or financial counseling in “Low-Income Communities” (LICs).

## How is an organization certified as a CDE?

A certified CDE is a for-profit or not-for-profit entity that meets the following requirements:

- Is a legal entity;
- Has a primary mission of serving or providing investment capital for LICs or Low-Income Persons;
- Is accountable to residents of the LICs that it serves.



# Benefits of CDFI Fund Certification



## Why become certified as a CDFI?

- Access to Financial and Technical Assistance dollars from the CDFI Fund;
- Increase the size of Bank Enterprise Award program award;
- Benefit from a rigorous self-examination process (necessitated by the CDFI Fund certification and funding applications); and
- Leverage other Funding Sources.

# Benefits of CDFI Fund Programs



## CDFI Programs

### Financial Assistance Award Uses

- Financing Capital
- Loan Loss Reserves
- Capital Reserves
- Operations

### Technical Assistance Award Uses

- Personnel (Salary)
- Personnel (Fringe Benefits)
- Training
- Travel
- Professional Services
- Materials / Supplies
- Equipment and Other Capital Expenditures
- Other Costs

# Benefits of CDFI Fund Programs



## CDFI Programs – Financial Assistance (FA)

- Requires non-federal **Matching Funds**.
- **Category I: Small & Emerging CDFI Assistance (SECA)**
  - Generally younger and/or smaller in asset size.
  - Maximum prior cumulative/aggregate FA award limit = \$500,000.
  - *Award request maximum: \$500,000.*
- **Category II: Core**
  - All applicants that do not qualify for SECA category.
  - Generally older, larger CDFIs.
  - *Award request maximum: \$2 million.*

## CDFI Programs – Technical Assistance (TA)

A **TA grant** allows a CDFI or an entity proposing to become a CDFI to build its capacity to serve its Target Market.

- Does not require Matching Funds.
- Can be requested to help become certified as a CDFI.
- *Award request maximum: \$100,000.*

# Benefits of CDFI Fund Programs



## Bank Enterprise Award (BEA) Program

- Provides awards to insured depository institutions for engaging in lending, investment and service activities to CDFIs or to economically distressed communities.
- Rewards actual increases in the dollar volume of Qualified Activities from a Baseline Period to a later Assessment Period.

## Native Initiatives

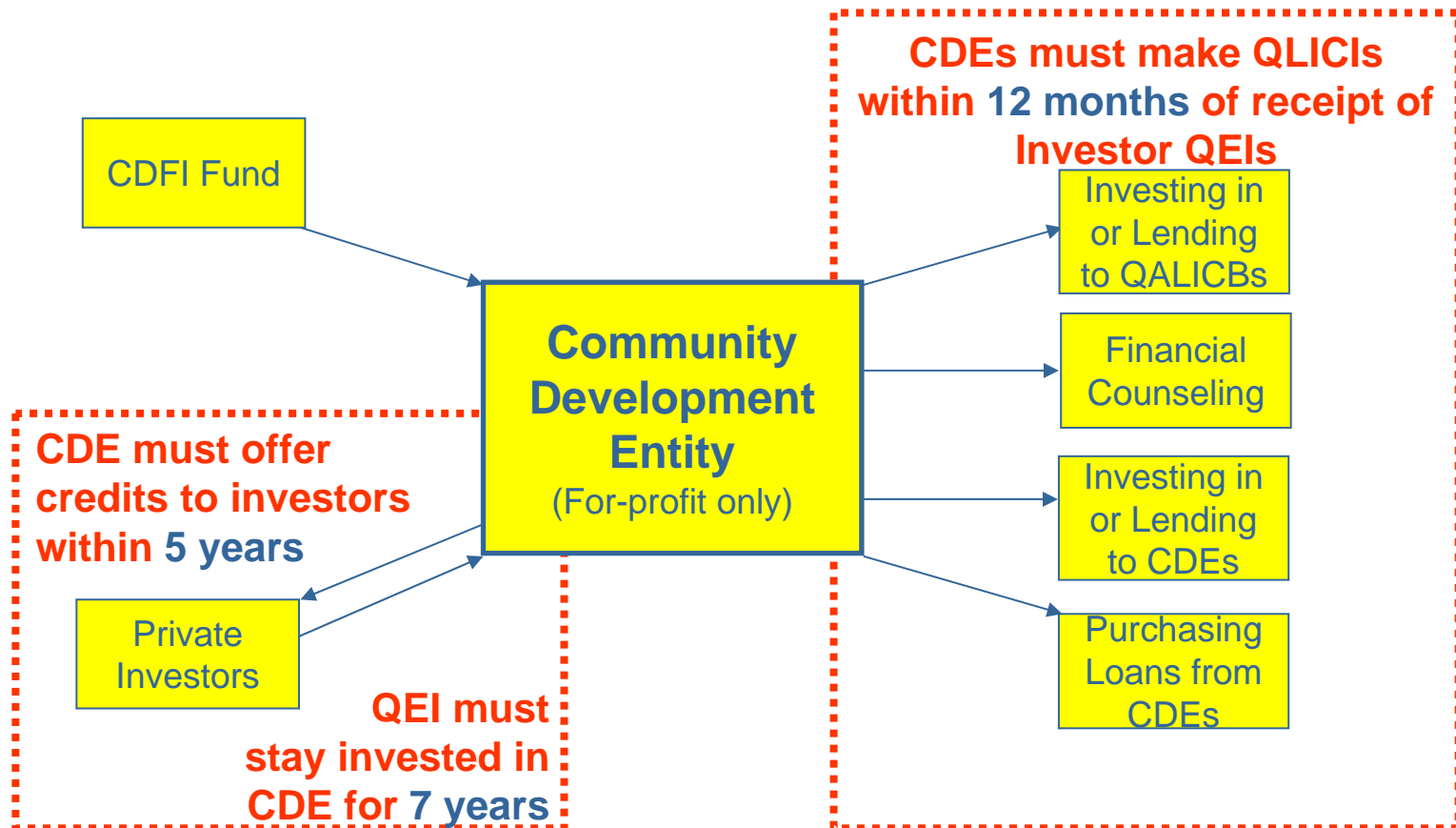
- Provides technical and financial assistance awards using appropriations earmarked by Congress for CDFIs serving Native communities.

# Benefits of CDFI Fund Programs



## New Markets Tax Credit Program (NMTC)

- NMTC offers a tax credit for equity investments in Community Development Entities (CDEs).



# Resources and Contact Information



## Resources on the CDFI Fund Website

- CDFI Fund Updates - Automatic email update subscription service
- CDFI ***Certification*** Application Training Webcast
- CDFI ***Funding*** Application Training Webcast
- ***CDFI*** and ***CDE*** Certification Application and Related Materials
- CDFI ***Funding*** Materials and Archives
- Impact Data and Reports: ***Cross Site*** and ***Case Study***
- Lists of ***Certified Organizations***
- Lists and Profiles of ***Awardee and Allocatee Organizations***
- Mapping Tool (***CIMS***)

# Resources and Contact Information



## Contacting the CDFI Fund

- Certification and Programmatic Support:  
**[cdfihelp@cdfi.treas.gov](mailto:cdfihelp@cdfi.treas.gov) or 202.622.6355**
- Technical Support:  
**[ithelpdesk@cdfi.treas.gov](mailto:ithelpdesk@cdfi.treas.gov) or 202.622.2455**
- Grants Management Support:  
**[grantsmanagement@cdfi.treas.gov](mailto:grantsmanagement@cdfi.treas.gov) or 202.622.8226**
- Compliance Support:  
**[cme@cdfi.treas.gov](mailto:cme@cdfi.treas.gov) or 202.622.6330**
- Legal Counsel Support:  
**See “How to Request a Legal Review” at [www.cdfifund.gov](http://www.cdfifund.gov)**



## Presenting Today

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## Questions & Answers

## Discussion

**Thank You...**